1:14-cv-00975-JMC Date Filed 04/14/14 Entry Number 11-8 Page 2 of 4

Congress of the United States Washington, DC 20515

March 31, 2014

The Honorable Ernest Moniz Secretary United States Department of Energy 1000 Independence Avenue, SW Washington, DC 20585

Dear Secretary Moniz,

President Obama's recent budget request substantially reduced funding for the Mixed Oxide Fuel Fabrication Facility (MOX) currently under construction at Savannah River Site (SRS). It also announced an intention to place the project into "cold-standby." We have serious concerns regarding the President's budget proposal decision on several grounds.

As you are aware, this facility was chosen by the Clinton Administration and authorized by Congress as our nation's means to dispose of excess weapons grade plutonium as we convert the material into commercial grade fuel. The disposal of this material is mandated by the US-Russia Plutonium Disposition Agreement. Placing this program into cold-standby will prevent the United States from honoring its part of the aforementioned agreement. At a time when The Administration is attempting to negotiate a nuclear nonproliferation agreement with Iran, defaulting on our own agreement sends a conflicting message to the international community. Additionally, halting progress on MOX will allow Russia to discontinue efforts towards disposing of their material. This could prove dangerous for our allies around the world and jeopardize our own national security as environmental cleanup of the plutonium at SRS would be stymied.

Another issue that concerns us with this decision is that funding appropriated in *the FY2014 Consolidated Appropriations Act* and authorized via the *FY2014 National Defense Authorization Act* explicitly provided for construction of MOX. The funds were not authorized or appropriated for coldstandby, and we request they be used only for construction as Congress intended. We are concerned that the intent of Congress is being ignored and as a result we may see a usurpation of Congress' power of the purse.

Finally, the cost of MOX has dominated recent headlines. We all agree that it is our responsibility as lawmakers to be the very best stewards of each and every taxpayer dollar and to work to contain the costs of projects and keep them on schedule. The Department has used a \$30 billion lifecycle cost, yet we have never seen the Army Corps of Engineers report detailing how this number was reached. We request that report and its justifications to be released in its entirety. Moreover, we request a study to analyze the cost associated with placing MOX into cold-standby, which is estimated to be between \$700 and \$900 million.

The Department of Energy's only alternative we are aware of would require renegotiation with the Russians and an alteration of the Land Withdrawal Act. We have strong reservations as to whether either of those measures are realistic at the current time. As you know, if the material is not moved out of SRS by January 1, 2016, a one million dollar per day penalty—up to \$100 million annually—would be instituted.

Thus, by simply doing nothing, or "studying other alternatives," American taxpayers will be left to pick up a \$100 million penalty annually with no expiration date in sight. Material will never move out of SRS, and the U.S. will have a serious blow dealt to its international credibility on the nonproliferation front. It will leave material stranded and derail environmental cleanup missions in South Carolina for years to come. And lastly, walking away would cost the American taxpayers far more money with no return on their investment.

It is clear. We must finish the MOX project. We appreciate in advance your consideration of our concerns and we look forward to working with you ensure a path forward.

Sincerely,

Joe Wilson

Member of Congress

Bob Goodlatte

Member of Congress

Doc Hastings

Member of Congress

Phil Gingrey

Member of Congress

Paul Broun

Member of Congress

James E. Clyburn

Member of Congress

Jack Kingston

Member of Congress

Frank LoBiondo

Member of Congress

/ John Barrow

Member of Congress

Mark Sar

Member of Congress

Member of Congress

Member of Congress

Mick Mulvaney 50-5

Member of Congress

Mark Meadows

Member of Congress

Tom Rice

Member of Congress

Steve Scalise

Member of Congress

Member of Congress

Robert Hurt Member of Congress

Richard Hudson

Member of Congress

Robert Pittenger

Member of Congress

Member of Congress